



CTCleanEnergyOptions

The CT Renewable Energy Program *Alternative Transitional Standard Offer*



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Achieving CT Energy Policy Goals

Policy goal: increase use of renewable energy in CT

- Supply-Side Mechanisms

- Clean Energy Fund
- Long-Term Renewable Contracts (100 MW Docket)



- Demand-Side Mechanisms

- Renewable Portfolio Standards (RPS) - Mandatory Program
- Clean Power Option (Alternative TSO) - Voluntary Program

Legislative History



- Public Act 03-135 - established the Alternative Transitional Standard Offer (ATSO) optional services program under Transitional Standard Offer (TSO)
- DPUC charged with implementing ATSO provisions:
 - 1.option providing electric generation services that exceed CT RPS
 - 2.option using strategies that reduce overall consumption of electricity by customer, i.e., energy efficiency



Process for Program Development



- DPUC Interim Decision -April 21, 2004
 - Approved general framework for development of renewable ATSO
 - Aspects of program design required additional input & expertise from parties & participants
- Creation of Stakeholder Working Groups
 - Formed 3 working groups to assist in developing legal & technical details of program before bid process could commence

Process for Program Development



Role of Working Groups

- Procurement Working Group - developed draft procurement RFP and contract(s) between distribution companies & ATSO suppliers
- Service Working Group - drafted customer service contract(s) & program design features such as marketing, disclosure & billing
- Renewable Energy Certificate (REC) Compliance Working Group provided recommendations on verification issues within NEPOOL GIS, potential use of Green-e RECs or comparable RECs from outside GIS

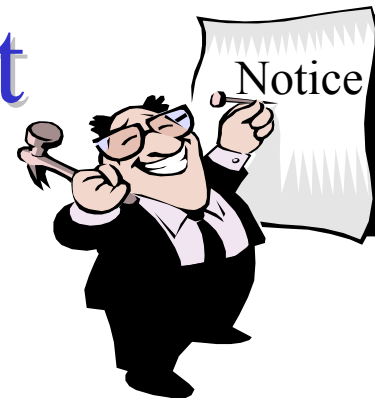
Groups presented consensus documents and unresolved policy issues to DPUC for consideration

Process for Program Development



- DPUC Interim Decision (Oct. 2004)
Approved, with modifications, draft contracts & program design recommendations
- Competitive Solicitation Process (Jan. 2005)
Electric distribution companies conducted solicitations for ATSO suppliers under supervision of DPUC UOMA team
- DPUC Final Decision (Feb. 2005)
Approved procurement contracts, winning bidders, pricing, & name of program

Program Announcement



Public Announcement (Mar. 3, 2005)

- Clean Power Option suppliers & pricing terms announced to public
- Sterling Planet (Norcross, GA) & Community Energy (NY), each with CT offices, chosen as energy suppliers for "CT Clean Energy Options"
- April 1, 2005 - program slated to begin

Program Design Elements



- **Procurement Process** - DPUC established guidelines to ensure:
 - Fairness to all potential bidders
 - Economically efficient, safe and reliable ATSO service
 - Stable prices to consumers
 - Appropriate customer service and marketing requirements
- **Key Program Characteristic**
 - CL&P & UI will offer the same program statewide

Program Design Elements Key Program Characteristics



- **Length and Termination of Contracts**
 - Program available for 3 years
 - End of contract period - supplier may continue its program offering & retain its customers
- **Renewable Percentage Options**
 - Renewable service - calculated as percent of customer load
 - DPUC required ATSO renewable resources service be offered in two percentage options: **50%** of customer load and **100%** of customer load

Program Design Elements Key Program Characteristics



• Marketing Plan

- ATSO suppliers - will take lead responsibility in marketing activities & distribution companies will assume role of implementation and facilitation
- ATSO supplier marketing plans (required as part of bid) - include minimum consumer education & outreach initiative:
 - 2-4 bill inserts per year
 - public media announcements
 - internet site that includes frequently asked questions (FAQs)

Program Design Elements Key Program Characteristics



Number of Program Offerings

- ATSO suppliers will each offer two service options:
50% and 100% “clean” energy
- All CL&P and UI residential customers - will be offered 50% and 100% "green" ATSO service

Program Design Elements Key Program Characteristics



REC-based Renewable Program

- Service provided via delivery of RECs in MWh denomination
- REC-based service - does not require delivery of electrons but certification & verification that electrons were produced equal to customers' demand for the renewable power

Clean Power Choices



Sterling Planet

- Energy sources -33% wind, 33% small hydroelectric, and 34% landfill gas
- Surcharge for 100% option - will be up to 1.15¢ per kWh or \$5.75 for average residential customer using 500 kWh per month
- Surcharge for 50% option will be up to 1.15¢ per kWh or \$2.88 per month applied to half the usage (250 kWh)



Clean Power Choices



Community Energy

- Energy sources - 60% wind and 40% landfill gas generation
- Surcharge for 100% option - will be up to 1.3¢ per kWh or \$6.50 for average residential customer using 500 kWh per month
- Surcharge for 50% option - will be up to 1.3¢ per kWh or \$3.25 per month applied to half their usage (250 kWh)



